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असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उपखण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह प्रलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation

MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

(Department of Company Affairs)

NOTIFICATION

New Delhi, the 1st March 1975

G.S.R. 137(E).—In exercise of the powers conferred by section 294AA, read with clause (a) of sub-section (1) of section 642, of the Companies Act, 1956 (1 of 1956), the Central Government hereby makes the following rules, namely:—

1. **Short title and commencement.**—(1) These rules may be called the Companies (Appointment of Solo Agents) Rules, 1975.

(2) They shall come into force on the date of their publication in the official Gazette.

2. **Form of application for seeking approval of the Central Government for the appointment of sole agents.**—Every company seeking approval of the Central Government for the appointment of sole selling agents or sole agent for the buying or purchasing of goods on behalf of the company under section 294AA of the Companies Act, 1956 (1 of 1956), shall apply in Form I or Form II, respectively, and furnish the particulars specified therein.

3. **Fees to be paid along with the application.**—Every application made by a company under these rules shall be accompanied by a Treasury Challan in token of payment of the requisite fee as specified in the Companies (Fees on Applications) Rules, 1968.

FORM I

(See rule 2)

Registration No. of the Company

THE COMPANIES ACT, 1956

Form of application for approval of the Central Government to the appointment of sole selling agents by a Company

1. (a) Name of the company
(b) Address of the registered office.
(c) Address of the principal office, if it is different from the registered office.
(d) Branches at.....
2. Management structure of the company (list of directors/Managing Directors, and Manager/Secretary with particulars of other directorships held, if any, by them).
3. Principal business, indicating the main products of manufacture.
4. Details of production@ during the last three financial years, of the kinds of goods or commodities in respect of which sole selling agent(s) are proposed to be appointed:

Year ended	Name(s) of the product(s)	Quantity produced (separately for each)	Quantity sold (separately for each)	Quantitative carry forward of finished goods.
1	2	3	4	5

5. List of bulk buyers of 2 per cent or more of the sales and the amount of sales made to them during the last three financial years.

6. Total turnover of the company in respect of products for which sole selling agent(s) are proposed to be appointed, for the last three financial years, showing separately with reference to each product:

- (i) Direct sales:
- (ii) Sales through sole selling agent(s).

7. Did the sole selling agent appoint agents, distributors, dealers etc. during the last three financial years and if so, the amount incurred in each year by way of commission etc. in respect of such appointments?

8. Did the company appoint agents (other than the sole selling agents), distributors, dealers, for the same product in other areas?

9. Terms of remuneration to other sole selling agent in other areas for same product of the company.

10. Certified true copies of annual accounts for the last three financial years to be enclosed. Any significant change in the position since the last balance sheet to be indicated here in brief.

11. Name, nature of organisation, address and principal business of the person proposed to be appointed as sole selling agent(s).

12. Structure and size of the organisation of the sole selling agents to be utilised for conducting sales for the company.

13. Experience of the person proposed to be appointed as sole selling agent.

14. Existing marketing arrangements and expenditure thereon, with break up of expenditure for last three financial years in respect of arrangements:

- (a) through sole selling agent (if any); and
- (b) otherwise.

15. Reasons for the appointment of sole selling agents.

16. Terms of remuneration payable to the sole selling agent(s). A certified true copy of the proposed agreement to be enclosed.

17. Amount of expenditure incurred, if any, in last three financial years by the sole selling agent(s) in marketing the product.

18. Interest of the sole selling agent(s) in the shares of the company indicating the class and number of shares held, the aggregate amount paid-up and the percentage it bears to the total paid-up capital of the company:

- (i) if the sole selling agent is an individual, the interest held by such individual and his relatives (with the description of relationship);
- (ii) if the sole selling agent is a firm, the interest of the partners and their relatives (with the description of relationship);
- (iii) if the sole selling agent is a private* company the interest held by it and/or members.
- (iv) if the sole selling agent is a public* company the interest held by it, its directors and their relatives (with the description of relationship).

19. Whether the proposed sole selling agent(s) had ever acted as the managing agents/ Secretaries and Treasurers of the company after the 15th of August 1960, or had been (an) associate(s) of the managing agents or Secretaries and Treasurers.

20. Number(s) and date(s) of the resolution(s), if any, passed for appointment of the sole selling agents. (Copy of special resolution under Section 294AA(3), where applicable to be attached).

21. Name(s) of other companies where the person(s) proposed to be appointed as sole selling agent(s) is/are acting as sole selling agents, the products handled and the remuneration received therefor.

22. Particulars of the directorship in the company held or controlled by the sole selling agents; if the sole selling agent is—

- (i) an individual: particulars of the individual and his relatives (with description of relationship);
- (ii) a Firm particulars of the partners and/or their relatives (with description of relationship).

23. If the proposed sole selling agent is a private* company, whether its directors or their relatives, or members are directors of the principal company. If so, names of such persons and their relationship to the directors of the selling agency company to be furnished.

24. If the proposed sole selling agent is a public* company, whether its directors or their relatives are directors of the principal company. If so, names of such persons and their relationship to the directors of the selling agency company to be furnished.

25. How are the accounts to be adjusted between the company and its sole selling agents? Does the company afford credit facilities in any manner? (Please give illustrative details).

26. (a) Does the company call for deposits from sole selling agent(s)? If so, on what basis are such deposits fixed? Whether any interest is payable on the deposits? If so, the rate thereof.

(b) Does/Do the sole selling agent(s) call for deposits from the sub-agents, distributors, stockists, etc.? If so, on what basis are such deposits fixed? Whether any interest is payable on the deposits. If so, the rate thereof?

27. If section 297 is attracted, certified true copies to be enclosed, of the resolution and of the approval of the Central Government, where required. If section 297 is attracted but Central Government's approval is not required, indicate the reasons therefor.

28. Any other information which the company may like to be taken into consideration.

Dated, this _____ day of _____ 197 .

Signature

Designation

*If the proposed sole selling agent is a foreign company, particulars may be furnished as are required to be furnished either in respect of a private company or public company as the agency company may be regarded under the law of the country of its incorporation.

@It will be sufficient if total quantities of products belonging to each category of goods manufactured are given together with the value where the categories are divisible into different items.

FORM II

(See Rule 2)

Registration No. of the Company

THE COMPANIES ACT, 1956

Form of application for approval of the Central Government to the appointment of sole agents for the buying or purchasing of goods by a company.

1. (a) Name of the company.
 (b) Address of the registered office.
 (c) Address of principal office, if it is different from the registered office.
 (d) Branches at —————.
2. Management structure of the company (full list of directors/Managing directors/Managers/Secretary), with particulars of other directorships, if any, held by them.
3. Principal business indicating main products of manufacture.
4. Particulars of goods/commodities bought during the last three financial years through agents.

Year	Description of goods/ commodities bought (manufactures/semi- manufactures; suitably grouped) and of the raw materials separately	Purchased Quan- tity.	Value	Consumed Quant- ity	Value	Left over stock Quantity	Value
1	2	3	4	5	6	7	8

5. Description, quantity and value of the purchases, if any, made by the sole agent(s) on behalf of the company for the last three financial years, their percentage to the total goods purchased by the company, with details of the rate and quantum of commission paid to each agent.

6. List of sub-buying agents appointed by the company or by sole buying agent(s) and the value of purchases made by the sub-agents for the last three financial years. Amount and percentage of commission paid to them should also be indicated for the last three financial years. It should also be indicated whether such commission is paid by the company or by sole buying agents.

7. List of persons supplying in each of the last three financial years, 5 per cent or more of the purchases and the value of such purchases for the last three financial years.

8. Certified true copies of the last three financial years' annual reports to be enclosed. Any significant change in the financial position since the last Balance Sheet to be indicated here in brief.

9. Name, nature, of business organisation, address and principal business of the person(s) proposed to be appointed as sole buying agent(s).

10. Structure and size of the organisation of the sole buying agent(s) to be utilised for conducting purchases for the company.

11. Reasons for the appointment of sole buying agent(s).

12. Terms of remuneration to other sole buying agent(s) in other areas for same kind of goods purchased.

13. Terms of remuneration payable to the sole buying agent(s). A certified true copy of the proposed agreement to be enclosed.

14. Amount of expenditure incurred, if any, in the last three financial years by the sole buying agents over the organisation of buying arrangements.

15. Interest of the sole buying agent(s) in the shares of the company. Indicate the class and number of shares held, the aggregate amount paid-up and the percentage it bears to the total paid-up capital of the company:

- (i) if the sole buying agent is an individual the interest held by such individual and his relatives (with the description of relationship);

- (ii) if the sole buying agent is a firm, the interest of the partners and their relatives (with the description of relationship);
- (iii) if the sole buying agent is a Private* company the interest held by the sole agent and/or members; and
- (iv) if the sole buying agent is a public* company the interest held by the sole agent, its directors and their relative(s) (with the description of relationship).

16. Whether the proposed sole buying agent(s) had ever acted as the Managing Agent(s)/Secretaries and Treasurers of the company after the 15th of August, 1960, or had been (an) associate(s) of the Managing Agents/Secretaries and Treasurers.

17. Number(s) and date(s) of the resolution(s) passed for appointment of the sole buying agents. (Copy of special resolution under Section 294AA(3), where applicable to be attached).

18. Experience of the person(s) proposed to be appointed as the sole buying agent(s).

19. Existing buying arrangements of the company, and expenditure incurred therein with break-up of the expenditure for the last three financial years, in respect of arrangements:—

- (a) through sole buying agents, if any, and
- (b) otherwise.

20. Name(s) of other companies where the person(s) proposed to be appointed as the sole-buying agent(s) is/are acting as sole buying agents, the product, quantum and value of purchases handled and the remuneration received therefor.

21. Particulars of Directorship in the company held or controlled by the sole buying agents: if the sole agent is—

- (i) an individual: Particulars of the individual and his relatives (with description of relationship).
- (ii) a firm: Particulars of the partners and/or their relatives (with description of relationship).

22. If the proposed sole buying agent is a private* company, whether its directors or their relatives, or its members are directors of the principal company. If so, names of such persons and their relationship to the directors of the buying agency company to be furnished.

23. If the proposed sole-buying agent is a public* company, whether its directors or their relatives are directors of the principal company. If so, name of such persons and their relationship to the directors of the buying agency company to be furnished.

24. How are the accounts to be adjusted between the company and its sole buying agent(s)? Does the company afford credit facilities in any manner. (Please give illustrative details).

25. (a) Does the company call for deposits from the sole buying agents? If so, on what basis are such deposits fixed? Whether any interest is payable on them? If so, the rate thereof.

(b) Does/Do the sole buying agent(s) call for deposits from sub-agents, distributors, stockists, etc.? If so, on what basis are such deposits fixed? Whether any interest is payable on the deposits? If so, the rate thereof.

26. If section 297 is attracted, certified true copies to be enclosed, of the resolution(s) and of the approval of the Central Government, where required. If section 297 is attracted but Central Government's approval is not required indicate the reasons therefor.

27. Any other information which the company may like to be taken into consideration.

Dated this _____ day of _____ 197 .

Signature
Designation

*If the buying agent is a foreign company, particulars may be furnished as are required to be furnished either in respect of a private company or public company as the agency company may be regarded under the law of the country of its incorporation.

[No. F. 5/6/74-CL. V]
P. B. MENON, Jt. Secy.

